

FISCAL NOTE

HB 3158 - SB 3341

February 11, 2008

SUMMARY OF BILL: Requires local school boards to submit to the Commissioner of Education a compliance plan conforming to state regulations regarding school nutrition requirements, income eligibility for free and reduced price meals, and determining student eligibility for receiving free and reduced price meals. Boards shall set preferences for use of agricultural products from boards' county or geographical region, allow flexible bidding processes to assist farmers in bidding competitively on portions of a nutrition plan, and require all food provided to public schools to meet or exceed food safety standards for commercial food operations.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant

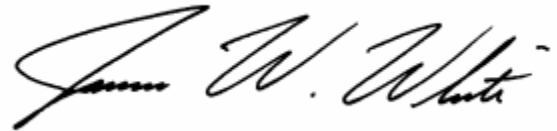
Assumptions:

- Under federal law, "Grantees and sub-grantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals." (7 CFR §3016.36) This prohibition prevents preference from being given as provided in this bill.
- Local education agencies would not be required to inspect foods or change their procurement process.
- Currently, food provided for school use is required to meet commercial food service standards of both the U.S. Department of Agriculture and the Tennessee Department of Agriculture. Unprocessed produce acquired locally or elsewhere is not currently subject to commercial food safety regulations. Any cost to local and state government is estimated to be not significant.
- According to the Department of Education, purchases of local agricultural products are permitted if the local producers can meet state and federal procurement rules regarding competitive bidding.
- Local education agencies would not be required to inspect foods or change their procurement process.

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CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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